

As most Siskiyou County residents are aware, the Department of the Interior, the States of Oregon and California, and PacifiCorp have reached an "Agreement in Principle" to decommission hydroelectric dams in the Klamath Basin. I have heard from many local residents who wonder how on earth our state and federal governments arrived at a point in which tearing down dams has become not only an accepted policy, but a very real prospect.

Let me say, without equivocation, that I have always been, and always will be a supporter of dams and hydroelectric projects. The benefits that they provide through clean, low-cost energy, flood control, water storage, local tax revenue, and recreation are invaluable. And given the current goals and mandates to reduce carbon emissions, it seems hypocritical that the federal and state laws and regulations would dictate a policy of destroying one of our cleanest forms of energy

So, how did we get here?

By way of background, PacifiCorp owns these hydroelectric facilities on the Klamath River, and is licensed by the federal government to operate them. That federal license expired in March of 2006 and the company began the process of renewing it with the Federal Energy Regulatory Commission (FERC). As you can imagine, the laws and regulations governing dams have become infinitely more complex since these local dams were first built. Due to the amount of federal and state regulation, the renewal process is extremely complicated and can take several years and millions of dollars to complete.

I have been a long time proponent of streamlining the federal relicensing process, and have supported legislation to loosen the strict regulatory grip that federal regulatory agencies have

over the process through their "mandatory conditioning authority."

Unfortunately, for the most part our efforts have been stymied.

In addition, as PacifiCorp was moving through the relicensing process, it became more and more clear that in order to continue operating the dams the company would be required to spend hundreds of millions of dollars for fish ladders.

Furthermore, I understand that even if it built these fish ladders, PacifiCorp was informed by the State of California that it was extremely unlikely the State would issue a critically important permit required under the Clean Water Act.

Faced with the prospect of spending huge sums of money, and even then not receiving the necessary permits, PacifiCorp has made a tentative business decision to decommission because the mitigation costs of relicensing are not justified by the economic value provided by the dams. These unyielding environmental laws have created similar situations in other areas of the country such as the potential removal of hydroelectric facilities on the Snake River and even elsewhere in Northern California with an Endangered Species Act-driven lawsuit requiring that the Red Bluff Diversion Dam be essentially decommissioned and replaced by a screened pumping plant that will provide irrigation water to 150,000 acres of agricultural land.

I have long believed that the environmental requirements associated with the operation of hydroelectric dams and other similar projects are extremely out of balance, and I have spent my entire career fighting for needed reforms.

However, a majority of the Congress is unwilling to move forward with fundamental reform on this vital issue.

Regrettably, across the country hydroelectric power generation has declined significantly – from 30% of the total generation in the 1950's to less than 10% in the year 2000. Given the recent spikes in energy prices, particularly fossil fuels, we should be

expanding

hydropower as a source of energy instead of limiting its availability through dam decommissioning.

But the current situation creates a paradox in which state and federal agencies must satisfy overreaching environmental statutes at the expense of renewable, emissions-free energy. We should not be in a position where private power companies are pressured to cease hydropower operations because these strict, inflexible laws make them too expensive to operate. Sadly, an operator's obligations as a business entity to its shareholders can result in dam decommissioning being the only fiscally sound alternative.

I have painted a bleak picture, but I believe it is a realistic assessment of how we reached this point. Having said all this, dam removal is by no means a "done deal." Rigorous and time consuming studies have yet to be performed regarding the environmental consequences of dam removal.

I am working closely with Siskiyou County to ensure it receives answers to the questions it has posed to the Department of the Interior.

Furthermore, the "Agreement in Principle" requires a \$250 million contribution from the State of California.

Given the acute fiscal crisis facing California, such funding is by no means assured.

There are numerous substantive issues that would have to be addressed before dam removal could take place.

However, there is momentum for a final proposal involving dam removal and thus I believe it is important to plan for that situation. In light of such a scenario, I would find it essential to attempt to ensure that any legislative proposal that would have to move through Congress include mitigation for the impacts to the residents of Siskiyou County and the necessary provisions to avoid a repeat of the 2001 irrigation shutoff to the Klamath Basin

agricultural community. I will be doing
precisely that, even as I continue to wage an uphill fight to reform the impractical and unfair
laws that brought us to this point.